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GENERAL INFORMATION

MEMBERS OF THE MAYORAL COMMITTEE

Councillor MJ Rapatsa	Hon. Executive Mayor (Full time)
Councillor SS Ndlovu	Lid/Member (Full time)
Councillor EN Nkomane	Lid/Member (Full time)

SPEAKER OF COUNCIL

Councillor ZC Zungu

GRADING OF LOCAL AUTHORITY

Grade 3
Category B

AUDITORS

Office of the Auditor General

BANKERS

ABSA

REGISTERED OFFICE / BUSINESS ADDRESS

Municipal Offices
C/o Samuel and Van der Walt Street
P O Box 6, DELMAS
Telephone (013) 665-6000

MUNICIPAL MANAGER

Mr MT Kadi

DIRECTOR: FINANCIAL SERVICES

Mr S J Weber
(B.Com AIMFO)

BALANCE SHEET AS AT 30 JUNE 2007

CAPITAL INVESTED	Notes	2007	2006
		R	R
FUNDS AND RESERVES		33 230 591	32 103 966
Statutory funds	1	29 544 914	28 318 899
Reserves	2	3 685 677	3 785 067
UNAPPROPRIATED SURPLUS	18	3 293 936	2 972 826
LONG TERM LIABILITIES	3	15 358 798	24 357 656
DEPOSITS	4	1 304 548	1 238 618
		53 187 873	60 673 066
APPROPRIATION OF CAPITAL			
FIXED ASSETS	5	24 875 135	22 307 637
INVESTMENTS	6	9 817 192	18 991 387
LONG TERM DEBTORS	7	4 303 741	6 133 073
		38 996 068	47 432 097
NET TRADING ASSETS / (-LIABILITIES)		14 191 806	13 240 969
TRADING ASSETS		41 139 060	23 180 189
Materials	8	1 330 776	1 199 641
Debtors	9	25 994 068	19 295 716
Cash book	10	13 814 216	2 684 833
TRADING LIABILITIES		-26 947 254	-9 939 220
Provisions	12	2 207 180	1 258 092
Creditors	13	14 819 518	6 651 246
Township suspense account	11	921 627	923 870
Loans : Short term	3	8 998 929	1 106 011
		53 187 873	60 673 066

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2006 Actual Income	2006 Actual Expenditure	2006 Surplus/ (Shortfall)		2007 Actual Income	2007 Actual Expenditure	2007 Surplus/ (Shortfall)	2007 Budget Surplus/ (Shortfall)
R	R	R		R	R	R	R
			RATES AND GENERAL SERVICES				
50 064 765	45 085 062	4 979 701		45 712 238	49 411 069	-3 698 831	-14 816 333
34 968 084	24 641 986	10 326 098	Community Services	29 156 933	27 810 519	1 346 414	-8 341 291
1 097 188	3 832 142	-2 734 954	Subsidised Services	1 762 085	4 245 217	-2 483 132	-3 102 364
13 999 491	16 610 934	-2 611 443	Economic Services	14 793 220	17 355 333	-2 562 113	-3 372 678
244 962	226 921	18 041	HOUSING SERVICES	287 010	256 219	30 791	22 343
44 978 444	34 342 974	10 635 470	TRADING SERVICES	51 864 249	39 660 278	12 203 971	14 795 154
95 288 170	79 654 956	15 633 214		97 863 497	89 327 566	8 535 931	1 164
		-13 655 892	Appropriations for the year (Note 18)			-8 214 821	
		1 977 322	Net surplus /(shortage) for the year			321 110	
		995 503	Unappropriated surplus at the beginning of the year			2 972 826	
		2 972 826	UNAPPROPRIATED SURPLUS AT THE END OF THE YEAR			3 293 937	

Refer to Annexures D and E for more details



CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Notes	2007	2006
		R'000	R'000
Cash retained from operating activities		7 231	1 884
Cash generated by operation	19	7 035	7 228
Township development account		-2	-1 615
Increase in capital	20	3 168	-2 133
		10 200	3 480
Less: External interest	17	-3 586	-3 669
Cash available from operations		6 614	-190
Cash contributions from the public and the State		617	2 074
Cash utilised in investing activities			
Investments in fixed assets		-4 996	-5 943
NET CASH FLOW		2 235	-4 058
Cash effects of financing activities			
Increase / (Decrease) in external loans	21	-1 106	-338
(Increase) / Decrease in investments	22	10 000	1 508
(Increase) /Decrease in cash	23	-11 129	2 889
NET CASH (GENERATED)/UTILISED		-2 235	4 058

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
1. STATUTORY FUNDS	R	R
Capital Development Fund	14 052 802	14 123 376
Loans Redemption Fund	11 447 447	10 419 851
Endowment fund	102 670	102 669
Land Trust fund	3 451 040	2 751 463
Community Development fund	0	9 991
Insurance Fund	<u>490 954</u>	<u>911 548</u>
(See also Annexure A)	<u>29 544 914</u>	<u>28 318 898</u>
2. RESERVES		
Motor vehicles and Equipment fund	746 212	916 632
Bursaries reserve	618 902	736 346
Maintenance and Renewal reserve		
Streets	525 425	589 405
Civic buildings	301 618	300 767
Sub-Economic Flats	357 022	357 021
Computer	65 573	81 616
Electricity network	547 415	260 349
Water network	478 444	468 490
Election reserve	0	11 567
Sanlam shares reserve	45 066	28 886
Sport Centre	<u>0</u>	<u>33 988</u>
(See also Annexure A)	<u>3 685 677</u>	<u>3 785 067</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
	R	R
3. LONG TERM LIABILITIES		
Local registered stocks	17 009 573	17 009 573
Annuity Loans	<u>7 348 154</u>	<u>8 454 094</u>
	24 357 727	25 463 667
Less: Current part transferred to Current liabilities	8 998 929	1 106 011
Local registered stocks	<u>7 850 000</u>	<u>0</u>
Annuity Loans	<u>1 148 929</u>	<u>1 106 011</u>
(See also annexure B)	<u>15 358 798</u>	<u>24 357 656</u>

LOCAL REGISTERED STOCKS

Local registered stocks bear interest at rates between 13,93% and 16,85% per annum and are repayable over periods which varies between 5 and 20 years.

ANNUITY LOANS

Annuity loans bear interest at rates between 8% and 17,75% and will be repaid in 2014.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
	R	R
4. DEPOSITS		
Consumers' deposits	1 304 548	1 238 618
	<u>1 304 548</u>	<u>1 238 618</u>

Guarantees substituting consumers' deposits amounted to R268,343 (2006: R268,343).

	R	R
5. FIXED ASSETS		
Fixed assets at the beginning of the year	83 340 088	77 796 665
Capital outlay for the year	4 995 878	5 942 527
Less: Assets written off, transferred or disposed of during the year	<u>-198 926</u>	<u>-399 104</u>
Total fixed assets	88 137 040	83 340 088
Less: Loans redeemed and other capital receipts	<u>-63 261 905</u>	<u>-61 032 451</u>
Nett fixed assets	<u><u>24 875 135</u></u>	<u><u>22 307 637</u></u>

Refer to Annexure C and paragraph 4 of the Report of the Financial Director for more details on fixed assets.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
	R	R
6. INVESTMENTS		
Unlisted investments		
Loan Redemption Fund Investment	9 772 126	8 962 501
Short term deposits	45 066	10 028 886
Total investments	<u>9 817 192</u>	<u>18 991 387</u>
 Average interest earnings on investments (Nett)	 6,1%	 6,6%

Circular 26 of 1991 issued by the Provincial Legislature requires local authorities to invest funds, which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a plenary rate to meet commitments.

No investments have been written off during the year.

	R	R
7. LONG TERM DEBTORS		
Current service debtors (Loan accounts)	5 103 421	6 645 512
Study loans	0	0
Sundry loans	0	0
	5 103 421	6 645 512
 Less:		
Short-term portion of long term-debtors transferred to current assets	799 680	512 439
	<u>4 303 741</u>	<u>6 133 073</u>

Loan accounts

An amount of R5,103,421 in respect of service debtors (loan accounts) is included in the long term debtors. Consisting out of 3,332 loan accounts which are redeemable over periods in excess of 4 years. The short term portion of these loan accounts are calculated at R799,680.

	R	R
8. MATERIALS		
Materials is represented by consumables, raw materials and finished goods.		
Materials with a high turnover	785 651	755 088
Materials with no or a low turnover	545 125	444 553
	<u>1 330 776</u>	<u>1 199 641</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
9. DEBTORS	R	R
Current debtors	127 776 197	123 290 294
Debtors - Sale of erven	15 950	15 989
Deposits	1 890	1 890
Debit transactions on suspense account	<u>4 845 528</u>	<u>1 989 047</u>
	132 639 565	125 297 220
Short term portion of Long term debtors	799 680	512 439
Less: Provision for bad debts	<u>-107 445 177</u>	<u>-106 513 944</u>
	<u>25 994 068</u>	<u>19 295 716</u>
(Decrease) / Increase in debtors	6 698 352	8 391 003

Debts written off and subsidies received

A total amount of R22,379,328 (2006 : R18,551,431) in respect of bad debts was written off. It represents 22,9% (2006 : 19,5%) of the total trading income for the year.

10. CASH	R	R
Cash on hand and in bank	13 810 841	2 681 458
Advances in cash	<u>3 375</u>	<u>3 375</u>
	<u>13 814 216</u>	<u>2 684 833</u>

11. TOWNSHIP SUSPENSE ACCOUNT	R	R
Township suspense account See annex. G	-905 677	-907 881
Plus: Loans		
Less: Debtors	<u>-15 950</u>	<u>-15 989</u>
	<u>-921 627</u>	<u>-923 870</u>

12. PROVISIONS	R	R
Audit fees	158 025	158 025
Leave payments	<u>2 049 155</u>	<u>1 100 067</u>
	<u>2 207 180</u>	<u>1 258 092</u>

Accumulated leave outstanding as at 30 June 2007 amounts to R2,561,613, whereas the provision amounts to R2,049,155.

It is policy of Council to carry as far as possible a provision of not less than 70% of the outstanding amount. The provision is currently at 80%.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

13 CREDITORS	2007 R	2006 R
Trading creditors	3 012 722	2 677 184
Tender and sundry deposits	0	19 809
Kredit transactions on suspense account	10 626 929	3 427 017
Payments in Advance	<u>1 179 867</u>	<u>527 237</u>
	<u>14 819 518</u>	<u>6 651 246</u>

14 ASSESSMENT RATES

	Land values as at 01-Jul-03	Actual income 2007	Actual income 2006
	R	R	R
Residential	84 119 408	8 038 257	8 010 065
Commercial	19 499 880	4 202 745	4 089 747
Government	5 635 481	757 572	722 822
Farm areas	448 559 214	1 493 973	1 330 030
Municipal	<u>644 727</u>	<u>119 271</u>	<u>116 454</u>
	<u>558 458 710</u>	<u>14 611 818</u>	<u>14 269 118</u>

The valuation of land takes place every 4 years and the last valuation was implemented with effect from 1 July 2003.
The basic rates were as follows:

	2006/2007 Cent/Rand	2005/2006 Cent/Rand
Residential	12 850	11 900
Commercial	22 980	21 280
Agricultural	18 540	17 660

15 REMUNERATION OF COUNCILLORS	Number	2007 R	2006 R
Allowances (Travel allowance included)			
Allowance of the Mayor	1	462 358	182 162
Allowance of the Speaker	1	364 299	163 500
Allowances of the Mayoral Committee	2	680 799	306 370
Councillor's allowances	11	<u>1 601 327</u>	<u>689 202</u>
		<u>3 108 783</u>	<u>1 341 234</u>
Cell phone allowance			
Allowance of the Mayor		12 984	9 119
Allowance of the Speaker		12 984	9 508
Allowances of the Mayoral Committee		25 968	18 627
Councillor's allowances		<u>88 469</u>	<u>85 513</u>
		<u>140 405</u>	<u>122 767</u>

16 AUDIT FEES	<u>210 201</u>	<u>274 516</u>
Audit fees for current year	<u>210 201</u>	<u>274 516</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

17 FINANCING TRANSACTIONS	2007	2006
	R	R
Total interests earned and paid		
Interest earned	1 988 841	1 907 740
Interest paid	3 586 476	3 669 082
Capital costs debited against the trading account		
Interest : External	3 586 476	3 669 082
Internal	0	0
Redemption: External	1 105 940	1 102 790
Internal	0	0
Contributions towards Redemption fund	953 385	1 103 494
	<u>5 645 801</u>	<u>5 875 366</u>
 18 APPROPRIATIONS		
Appropriation account	R	R
Unappropriated surplus at the beginning of the year	2 972 826	995 504
Trading surplus for the year	8 535 931	15 633 214
Normal activities	<u>8 535 931</u>	<u>15 633 214</u>
Appropriations for the year	-8 214 821	-13 655 892
Prior year adjustments	230 442	512 153
Contribution to Leave reserve	-1 700 000	-800 000
Contribution to Bad debt reserve	-5 500 000	-13 000 000
Internal loans written off		-128 374
Contribution water maintenance reserve	-400 000	
Contribution electricity maintenance reserve	-700 000	
Contribution Municipal buildings maintenance reserve	-200 000	
Correction on investment: Restructuring fee		-50 963
Unclaimed wages - 2005/2006	54 737	7 902
Contribution to Insurance fund		-200 000
Adjustment i.r.o. stock on hand		3 390
Unappropriated surplus at the end of the year	<u>3 293 936</u>	<u>2 972 826</u>
 Trading account	R	R
Capital outlay	836 727	1 508 911
Contributions towards :		
Bursary fund	0	100 000
Leave reserve	20 000	0
Community fund	0	72 000
Loan Redemption fund	1 027 595	1 182 640
Audit fees	0	209 626
	<u>1 884 322</u>	<u>3 073 177</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
	R	R
19 CASH GENERATED BY OPERATIONS		
Surplus for the year	8 535 931	15 633 214
Adjustments in respect of trading transactions of previous years	-8 214 821	-13 655 892
Appropriations debited against income	1 884 322	3 073 177
Bursaries Fund	0	100 000
Redemption Fund	1 027 595	1 182 640
Leave reserve	20 000	0
Community fund	0	72 000
Audit fees	0	209 626
Fixed Assets	836 727	1 508 911
Capital Costs	4 692 416	4 771 872
Interest paid	3 586 476	3 669 082
Internal	0	0
External	3 586 476	3 669 082
Redemptions	1 105 940	1 102 790
Internal	0	0
External	1 105 940	1 102 790
Non-trading expenditure	136 756	-2 594 816
Income credited against Provisions and Reserve Funds	4 116 793	2 248 612
Expenditure against Provisions and Reserve Funds	-3 980 037	-4 843 428
	<u>7 034 604</u>	<u>7 227 555</u>
20 (INCREASE)/DECREASE IN TRADING CAPITAL		
(Increase)/Decrease in materials	-131 135	-96 967
(Increase)/Decrease in debtors, long term debtors	-4 869 019	198 860
Increase/(Decrease) in creditors	8 168 272	-2 235 351
	<u>3 168 117</u>	<u>-2 133 459</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

	2007	2006
	R	R
21 INCREASE/(DECREASE) IN LONG TERM LOANS (EXTERNAL)		
Loans raised	0	748 298
Loans repaid	<u>-1 105 940</u>	<u>-1 086 428</u>
	<u>-1 105 940</u>	<u>-338 130</u>
 22 (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS		
Investments made	0	-25 207 900
Investments realised	<u>10 000 000</u>	<u>26 715 588</u>
	<u>10 000 000</u>	<u>1 507 688</u>
 23 (INCREASE)/DECREASE IN CASH ON HAND		
Cash balance at the beginning of the year	2 684 833	5 573 408
Less: Cash balance at the end of the year	<u>13 814 216</u>	<u>2 684 833</u>
	<u>-11 129 383</u>	<u>2 888 575</u>
 24 CONDITIONAL LIABILITIES AND CONTRACTUAL OBLIGATIONS		
Guarantees in respect of housing loans to officials	<u>0</u>	<u>0</u>
Legal action implemented against Council in the Supreme Court by Mr. WA Boshoff in respect of damages suffered	<u>4 384 923 plus interest</u>	

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

25	LIABILITIES IN RESPECT OF CAPITAL PROJECTS	2007	2006
		R	R
	Liabilities in respect of capital expenditure		
	Approved and contracted	31 765 000	4 100 000
	Approved but not contracted yet	<u>0</u>	<u>460 000</u>
		<u>31 765 000</u>	<u>4 560 000</u>

These expenditure will be financed from:

Internal sources	980 000	0
External sources	<u>30 785 000</u>	<u>4 560 000</u>
	<u>31 765 000</u>	<u>4 560 000</u>

26 CAPITAL DEVELOPMENT FUND

Outstanding advances towards borrowing services

Accumulated fund	14 052 802	14 123 376
Less: Internal investments	<u>14 052 802</u>	<u>14 123 376</u>
See Annexure B	<u>0</u>	<u>0</u>

(See Appendices A and B for more detail)

27 RETIREMENT BENEFITS

	Last actuarial valuation	%	(Unfunded) R 'm
<u>The municipal employees are members of the following pension/gratuity/retirement funds:</u>			
- Jointly Municipal Pension fund	31-Dec-98	109,80%	
- Municipal Employees Pension Fund	31-Dec-98	100,05%	
- Municipal Gratuity Fund	01-Jul-02	Reserve	
- SALA Pension fund	01-Jul-02	91,1%	
- IMATU Retirement fund	30-Jun-98	100,5%	

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2007

28 DISCLOSURE: Sect.123,124,125 of Municipal Finance Management Act, No.56 of 2003.

SECTION 123

	<u>2007</u>	<u>2006</u>
(1) Allocations received from National Government	16 840 362	13 750 502
Allocations received from Provincial Government	1 751 000	1 036 622

No funds destined for the municipality in terms of the annual Division of Revenue Act were delayed or withheld.

SECTION 124

	No.	<u>2007</u>	<u>2006</u>
		<u>R</u>	<u>R</u>
<u>Councillors Allowances</u> (Travel allowance included)			
Allowance of the Mayor	1	462 358	182 162
Allowance of the Speaker	1	364 299	163 500
Allowances of the Mayoral Committee	2	680 799	306 370
Councillor's allowance	11	1 601 327	689 202
		<u>3 108 783</u>	<u>1 341 234</u>
<u>Cell phone allowances</u>			
Allowance of the Mayor	1	12 984	9 119
Allowance of the Speaker	1	12 984	9 508
Allowances of the Mayoral Committee	2	25 968	18 627
Councillor's allowance	11	88 469	85 513
		<u>140 405</u>	<u>122 767</u>

All councillors were remunerated in accordance with the determinations of the Remuneration of Public Office Bearers Act, No. 20 of 1998.

<u>Remuneration of officials</u> ("Cost-to-company" basis)	<u>Salaries</u>	<u>Travel allow.</u>
Municipal Manager	567 405	125 774
Director: Financial services (CFO)	461 740	138 128
Director: Administration services	487 828	133 515
Director: Operational services	489 543	134 892
Manager: Strategic Planning	478 578	140 584

SECTION 125

	<u>2007</u>	<u>2006</u>
(1) Amounts paid in respect of:		
Audit fees	210 201	274 516
Pension fund contributions	3 542 229	3 466 185
Medical fund contributions	965 984	974 691
SARS: Income Tax	2 921 061	2 731 919
SARS: VAT Payments	1 258 422	1 766 253
SARS: UIF Payments	186 496	318 864
Compensation Commissioner	232 067	220 663

(2) Amounts outstanding in respect of the above (1)	0	0
---	---	---

(3) <u>Bank accounts</u>	<u>O/Balance</u>	<u>C/Balance</u>
- Primary account: ABSA Delmas (Acc.nr: 850000026)	4 911 061	14 099 712
- Debtors electronic transfers: (Acc.nr: 850000034)	693	1 300 945
- Debtors back payments: ABSA (Acc.nr: 4059973155)	139 763	476 764

Investments as on 30 June 2007

	<u>2007</u>	<u>2006</u>
- ABSA (Fixed long term: Loan Redemption Fund)	7 845 158	7 262 396
- ABSA (Short term: 32 Days: Committed)	0	10 000 000
- SANLAM (Policy for ext. loan redemption)	473 618	450 840
- SANLAM (Shares account)	45 066	28 886
- Momentum Life	1 453 350	1 249 265
	<u>9 817 192</u>	<u>18 991 387</u>

ANNEXURE A

STATUTORY FUNDS, RESERVES AND PROVISIONS

	Balance 30/06/2006	Contribu- tions	Interest on Investments	Other Income	Operational Expenditure	Capital Expenditure	Balance 30/06/2007
	R	R	R	R	R	R	R
STATUTORY FUNDS							
Capital Development Fund	14 123 376				70 575		14 052 802
Loan Redemption Fund	10 419 851	1 027 595					11 447 447
Endowment fund	102 669						102 670
Land Trust Fund	2 751 463			699 576			3 451 040
Community Facilities Fund	9 991				9 991		0
Insurance Fund	911 548		75 173	307 695	740 695	62 768	490 954
	28 318 901	1 027 595	75 173	1 007 271	821 261	62 768	29 544 911
RESERVES							
Motor Vehicles and Equipment Reserve Fund	916 632				14 510	155 910	746 212
Bursaries / Training reserve	736 346			87 879	205 324		618 902
Maintenance and renewal reserves							
Streets	589 405				63 981		525 425
Civic Buildings	300 767		100 000	200 000	251 129	48 021	301 618
Sub-Economic Flats	357 021						357 022
Computer	81 616			21 643	23 037	14 649	65 573
Electricity network	260 349		300 000	700 000	712 934		547 415
Water network	468 490		200 000	400 000	590 046		478 444
Sport Centre	33 988				33 988		0
Election reserve	11 567				11 567		0
Sanlam shares reserve	28 886		16 180				45 066
	3 785 067	0	616 180	1 409 522	1 906 516	218 580	3 685 677
PROVISIONS							
Audit Fees	158 025						158 025
Leave reserve	1 100 067	20 000	200 000	1 700 000	970 912		2 049 155
	1 258 091	20 000	200 000	1 700 000	970 912	0	2 207 179

ANNEXURE B

EXTERNAL LOANS AND INTERNAL ADVANCES

EXTERNAL LOANS			Balance 30/06/2006	Received	Redempt or written off	Balance 30/06/2007
			R	R	R	R
Local registered stocks						
Issued						
	Number	Redeemable				
1994 @ 15,46%	17	2009.12.31	800 000			800 000
1994 @ 15,46%	18	2009.12.31	470 000			470 000
1994 @ 15,46%	21	2009.12.31	320 000			320 000
1995 @ 14,18%	22	2010.02.26	750 000			750 000
1995 @ 14,18%	24	2010.02.26	1 000 000			1 000 000
1995 @ 14,18%	27	2010.02.26	4 219 880			4 219 880
1995 @ 14,18%	30	2010.02.26	641 446			641 446
1995 @ 14,18%	31	2010.02.26	167 955			167 955
1995 @ 14,18%	34	2010.02.26	790 292			790 292
1997 @ 16,85%	36	2007.07.04	7 850 000			7 850 000
Refer to Note 3			17 009 573	0	0	17 009 573
Annuity Loans			8 454 094		1 105 940	7 348 154
			25 463 666	0	1 105 940	24 357 727

INTERNAL ADVANCES TO BORROWING SERVICES		Balance 30/06/2006	Received	Redempt or Written off	Balance 30/06/2007
		R	R	R	R
Capital Development Fund		0			0
(Refer to Notes 28)		0	0	0	0

ANNEXURE C

ANALYSIS OF FIXED ASSETS

Expenditure 2006	SERVICE	Budget 2007	Balance 30/06/2006	Expenditure 2006/2007	Written off, transferred or disposed of 2006/2007	Balance 30/06/2007
R		R	R	R	R	R
4 798 303	RATES AND GENERAL SERVICES	14 693 543	55 972 706	4 347 726	-3 063	60 323 495
2 654 552	Community Services	10 694 000	37 148 845	3 745 555	10 062	40 884 338
	Cemetries		312 087			312 087
	Libraries		848 516		274 023	574 493
	Property tax					
	Municipal stores		59 182		-91 459	150 641
420 220	Civic Buildings	70 000	3 995 219	68 618	-91 368	4 155 205
1 820 215	Public Works	9 500 000	25 794 540	2 503 002	-104 023	28 401 565
	Parks and Recreation	70 000	1 365 912	92 447	-44 903	1 503 262
	Council's General Expences	25 000	36 165	17 909	36	54 038
26 107	Auxiliary services	459 000	741 419	164 735	7 555	898 599
	Municipal Management		64 876			64 876
3 781	Financial Services	410 000	345 914	6 052		351 966
	Estates		376 961		30 045	346 916
4 755	Traffic Services	160 000	1 354 455	729 768	369	2 083 854
	Work Shop		212 708			212 708
379 475	Data Centre		1 640 891	163 024	29 787	1 774 128
0	Subsidised Services	70 000	1 199 984	314 307	18 989	1 495 302
	Fire Brigade		795 480	288 271	18 579	1 065 172
	Health Services	70 000	404 504	26 036	410	430 130
2 143 750	Economic Services	3 929 543	17 623 877	287 864	-32 114	17 943 855
	Licensing		147 473		7 923	139 550
4 532	Cleansing Services		2 540 447	112 676		2 653 123
608 246	Sewerage	3 929 543	14 935 958	175 188	-40 037	15 151 183
0	DELPARK ACCOUNT	0	351 826	0	351 826	0
	Development		351 826		351 826	0
0	HOUSING SERVICE	7 000 000	1 504 672	0	0	1 504 672
	Sub-Economic Housing	7 000 000	1 504 672			1 504 672
1 144 224	TRADING SERVICES	10 071 457	25 510 883	648 152	-149 837	26 308 872
32 191	Electricity	1 910 000	8 300 348		-136 550	8 436 898
1 112 034	Water Service	8 161 457	17 210 536	648 152	-13 287	17 871 975
5 942 527	TOTAL FIXED ASSETS	31 765 000	83 340 088	4 995 878	198 926	88 137 041
	LESS: LOANS REDEEMED AND OTHER CAPITAL RECEIPTS		61 032 451	K1 2 428 380	D1 198 926	63 261 905
	Loans redeemed and advances repaid		6 191 012	1 105 940		7 296 952
	Contributions from trading income		5 003 262	913 728	46 220	5 870 770
	Provisions and reserve funds		1 222 418	408 712	12 067	1 619 063
	Accumulated funds		535 961			535 961
	Grants and subsidies		14 105 737		21 366	14 084 371
	Contributions from public		79 318			79 318
	Contribution from the District Municipality		10 594 595		101 064	10 493 531
	Contribution from township development		400 729		2 952	397 777
	Loans repaid		22 899 419		15 257	22 884 162
	NET FIXED ASSETS		22 307 637	2 567 498	0	24 875 136

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ANNEXURE D

ANALYSIS OF TRADING INCOME AND EXPENDITURE

Actual 2005/2006		Actual 2006/2007	Budgeted 2006/2007
R	INCOME	R	R
13 750 052	Grants and Subsidies:		
1 036 622	- Central government	16 840 362	17 339 000
	- Provincial government	1 751 000	1 900 000
1 714 127	Commission received: (License service)		
	- Provincial government	1 673 559	1 534 444
14 269 118	Operating income		
20 605 460	- Property tax	14 611 818	14 500 827
24 372 984	- Electricity sales	23 077 496	24 074 237
1 594 279	- Water sales	28 786 753	29 946 526
17 945 528	- Traffic Services	1 525 292	1 243 068
	- Other service charges	9 597 217	3 914 790
95 288 170	Total income	97 863 497	94 452 892
	EXPENDITURE		
25 473 069	Salaries and Allowances	28 976 970	30 778 628
34 525 702	General expenses	43 165 783	44 695 685
12 176 963	- Purchase of electricity	14 934 481	14 500 000
1 909 282	- Purchase of water	2 675 377	2 225 000
20 439 457	- Other general expenditure	25 555 925	27 970 685
3 278 646	Repairs and maintenance	4 221 290	5 110 682
5 875 366	Capital costs	5 645 800	6 450 944
1 508 911	Contribution towards fixed assets	836 727	1 110 000
17 881 626	Contributions towards provisions and reserves	16 619 999	16 620 000
88 543 319	Gross expenditure	99 466 569	104 765 939
-8 888 363	Less: Amounts debited out	-10 139 003	-10 314 211
79 654 956	Net expenditure	89 327 566	94 451 728
Note : The contribution of R953,385-00 towards the Loan Redemption Fund is included in the Capital cost of R5,645,800-00			

18.6%

ANNEXURE E

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2006 Actual Income	2006 Actual Expenditure	2006 Surplus (Deficit)		2007 Actual Income	2007 Actual Expenditure	2007 Surplus (Deficit)	2007 Estimated Surplus (Shortfall)
R	R	R		R	R	R	R
50 064 764	45 085 062	4 979 702	RATES AND GENERAL SERVICES	45 712 238	49 411 069	-3 698 831	-14 816 333
34 968 084	24 641 986	10 326 097	Community Services	29 156 933	27 810 519	1 346 414	-8 341 291
328 244	455 870	-127 626	Cemetries	130 511	481 653	-351 142	-416 930
23 541	825 012	-801 471	Libraries	20 912	851 316	-830 404	-887 129
14 269 118	2 871 245	11 397 873	Property tax	14 611 818	3 001 253	11 610 565	11 382 803
10 833	0	10 833	Municipal stores	3 235	199 735	-196 500	-212 199
513 066	1 483 289	-970 223	Civic Buildings	574 230	1 971 488	-1 397 258	-1 361 001
143 860	6 784 866	-6 641 006	Public Works	187 200	5 258 000	-5 070 800	-6 374 527
6 469	1 754 656	-1 748 186	Parks and Recreation	5 281	2 059 305	-2 054 024	-2 326 294
1 693	1 993 294	-1 991 601	Council's General Expenses		4 283 638	-4 283 638	-4 275 646
	484 631	-484 631	Office of the Mayor		1 051 405	-1 051 405	-1 277 023
80	849 163	-849 084	Auxiliary services	206	1 016 977	-1 016 771	-1 008 359
86 229	1 406 283	-1 320 053	Corporate services	121 335	1 444 575	-1 323 240	-2 025 865
	1 056 252	-1 056 252	Municipal Management		1 248 583	-1 248 583	-1 143 230
17 976 905	1 282 701	16 694 204	Financial directorate	11 965 660	1 173 275	10 792 385	4 505 652
13 767	187 388	-173 621	Estates	11 253	216 359	-205 106	-214 891
1 594 279	2 860 146	-1 265 867	Traffic Services	1 525 292	3 157 868	-1 632 576	-2 279 244
	347 191	-347 191	Work Shop		395 089	-395 089	-427 408
1 097 188	3 832 143	-2 734 953	Subsidised Services	1 762 085	4 245 217	-2 483 132	-3 102 364
60 567	1 330 376	-1 269 810	Fire Brigade	11 085	1 454 373	-1 443 288	-1 632 726
1 036 622	2 501 765	-1 465 144	Health Services	1 751 000	2 790 844	-1 039 844	-1 469 638
13 999 491	16 610 934	-2 611 442	Economic Services	14 793 220	17 355 333	-2 562 113	-3 372 678
1 769 997	589 771	1 180 226	Licensing	1 705 705	613 516	1 092 189	845 643
5 791 753	7 758 957	-1 967 204	Cleansing Services	6 444 104	8 153 992	-1 709 888	-2 229 336
6 437 742	8 262 206	-1 824 464	Sewerage	6 643 411	8 587 825	-1 944 414	-1 988 985
244 962	226 921	18 042	HOUSING SERVICE	287 010	256 219	30 791	22 343
244 962	226 921	18 042	Sub-Economic Housing	287 010	256 219	30 791	22 343
44 978 444	34 342 974	10 635 470	TRADING SERVICES	51 864 249	39 660 278	12 203 971	14 795 154
20 605 460	17 160 600	3 444 860	Electricity	23 077 496	20 042 280	3 035 216	4 378 095
24 372 984	17 182 374	7 190 611	Water Service	28 786 753	19 617 998	9 168 755	10 417 059
95 288 170	79 654 956	15 633 214	TOTAL	97 863 497	89 327 566	8 535 931	1 164
	-13 655 892		Appropriations for the year (See Note 18)			-8 214 821	
	-13 655 892		Adjustments			-8 214 821	
	1 977 322		Net surplus for the year			321 110	
	995 504		Unappropriated surplus at the beginning of the year			2 972 826	
	2 972 826		UNAPPROPRIATED SURPLUS AT THE END OF THE YEAR			3 293 936	

ANNEXURE F

STATISTICAL INFORMATION

	2007	2006
1. General		
Population	58 000	56 960
Valuation of taxable properties	111 321 595	109 734 234
Valuation of farm properties	426 555 629	448 532 814
Valuation of residential properties	87 200 704	83 961 146
Valuation of commercial properties	19 796 798	19 499 880
Valuation of government zoned properties	4 324 093	5 628 481
Number of residential properties	11 751	11 699
Number of commercial properties	665	603
Property tax: (cent / R1)		
Residential	12 850	11 900
Commercial	22 980	21 280
Agricultural (Rebate structure applicable)	18 540	17 660
Number of employees	350	356
2. Electricity Statistics		
Units purchased	87 880 430	74 726 158
Units sold	66 879 293	62 097 633
Lost in distribution	21 001 137	12 628 525
% Lost in distribution	23.9%	16.9%
Cost per unit sold ©	30.0	27.6
Income per unit sold	34.5	33.2
3. Water Statistics		
Units purchased	5 743 084	4 784 728
Units sold	4 518 522	3 914 168
Lost in distribution	1 224 562	870 560
% Lost in distribution	21.3%	18.2%
Cost per unit sold	434.2	439.0
Income per unit sold - Sundra/Eloff	637.1	622.7
4. Sundry statistics		
Area in Km2	211	187
Number of registered voters - previous election.	26 543	26 543
Previous election percentage poll	88.73%	88.73%

ANNEXURE G

DETAILS OF TOWNSHIPS SUSPENSE ACCOUNT

Extention 4

Sale of erven		2 471 584
Stand 1024		95 200
Interest on sale of erven		322 612
Townships Development Expenses	400 846	
Capital works	1 215 492	
Electricity	334 243	
Sewerage	134 740	
Streets and drainage	661 788	
Water	84 720	
Debtors - erven sold	0	
	1 616 338	2 889 395
Unspent balance	1 273 058	
	2 889 395	2 889 395

Extention 14

Sale of erven		2 291 987
Interest on sale of erven		215 586
Loans repaid		82 445
Township Development Expenses	949 448	
Capital works	916 216	
Electricity	210 101	
Sewerage	70 657	
Streets and drainage	540 102	
Water	95 356	
Debtors - erven sold	15 950	
	1 881 614	2 590 018
Unspent balance	708 404	
	2 590 018	2 590 018

Extention 17

Loans repaid		90 397
Purchase of land	795 630	
Township Development Expenses	384 812	
Sinking fund contribution	35 226	
	1 215 668	90 397
Temporary advance		1 125 271
	1 215 668	1 215 668

Delmas Festival Grounds

Purchase of land	50 751	
Township Development Expenses	1 576	
Temporary advance		52 327
	<u>52 327</u>	<u>52 327</u>

Portion 74 (Holding 112)

Contribution towards development		850 000
Township Development Expenses	6 618	
Capital works	819 156	
Electricity	430 246	
Roads and drainage	333 982	
Sewerage	54 928	
Unspent balance	24 226	
	<u>850 000</u>	<u>850 000</u>

Portion 83 - Witklip 232IR

Township Development Expenses	103 858	
Sale of erven		62 000
Temporary advance		41 858
	<u>103 858</u>	<u>103 858</u>

Portion 68 - Witklip 232IR

Sale of erven		130 000
Capital works	116 167	
Electricity	2 013	
Roads	77 805	
Sewerage	21 384	
Water	14 966	
Unspent balance	13 833	
	<u>130 000</u>	<u>130 000</u>

Portion Rest. Of portion 76 Delmas

Sale of erven		310 030
Development contribution		7 215
Township Development Expenses	13 921	
Unspent balance	303 324	
	<u>317 245</u>	<u>317 245</u>

Agricultural holdings

Sale of holdings		636 731
Interest on sale of erven		20 222
Development costs	91 471	
Debtors - Erven sold	0	
Unspent balance	565 482	
	656 953	656 953

Delmas Extention Delpark

Sale of erven		354 325
Interest on sale of erven		37 869
Contribution towards development		348 298

Township Development Expenses 365 497

Capital works 315 299

Electricity	66 378
Sewerage	124 779
Streets and drainage	122 882
Water	1 260

Debtors - Erven sold 0

Extention 1 933 948

Purchase of land	559 337
Township Development Expenses	374 611

Extention 2 213 844

Donation of land 677 475

Purchase of land	118 138
Township Development Expenses	95 706

Portion 2 & 9

Development contribution		2 458 906
Township Development Expenses	3 974 967	

Portion 6

Township Development Expenses 758 833

	6 562 388	3 876 873
Temporary advance		2 685 515
	6 562 388	6 562 388

Botleng Uitbreidings/Extentions

Income from sale of erven and subsidies

Botleng Proper	30 629
Extention 1	12 000
Extention 2	6 000
Extention 3	141 584
Park erf 1285	128 806
Extention 18	36 209
Extention 19	8 797

Contribution towards development

Extention 1	986 502
Extention 2	1 219 680
Extention 3	2 371 148
Extention 4	13 142 958
Extention 19	2 000

Purchase of land and development costs

Botleng Proper	8 434
Extention 2	235 558
Extention 3	3 234 289
Extention 4	38 772
Farm Middelburg Ext.4	12 578 447
Park erf 1285	22 777
Extention 18	29 917
Extention 19	15 797

16 163 991

18 086 313

Unspent balance

1 922 322

18 086 313

18 086 313**SUMMARY**

Balance - Land Trust Fund

26 917 446

Net proceeds from the sale of erven and subsidies
Interest on sale of erven
Contributions received
Donation of land

6 715 883
596 289
18 927 800
677 475

Loans repaid

172 842

Balance - Land Trust Fund

28 627 567

Township Development Expenses

25 245 236

Capital works

3 382 330

Debtors

15 950

28 643 517

27 090 288

Unspent balance

905 677

29 549 194

27 090 288

ANNEXURE H

DETAILS OF LAND TRUST FUND

R

**Unmoveable property other than
Town Land [Sec 79(18)(f)]** 1 909 259

Interest earned	328 504
Sale of land	446 230
Net proceeds from the sale of erven	
Delmas Extention 2	167 135
Delmas Extention 3	4 235
Delmas Extention 8	44 162
Delmas West 1	405 633
Delmas Extention 5	123 753
Delmas Extention 6	89 794
Delmas Extention 15	224 887
Shop Portion 130 of portion 104	47 880
Sale of civic buildings	25 200
Profit on sale of repossessed erven under Housing Scheme	1 846

Town Lands [Art 79(18)(h)] 1 216 312

Option fees	74
Interest earned	56 471
Sale of Town Lands	1 159 767

**Authorised portion of proceeds from the
sale of erven used for roads and drainage** 4 234

Delmas Extention 2	811
Delmas Extention 3	3 423

Interest on investments 783 175

Net proceeds with amalgamation 230 167

Sundra	5 539
Eloff	173 139
Delmas TRC	51 489

4 143 146

Less: Purchasing of land 692 108

Witklip 232IR - Portion 104	3 951
Holding 136 Leeuwpoort	7 542
Agricultural holding - Portion 31 of 232	3 141
Donation of land - Delpark	677 475

Net accumulated fund 3 451 039

ANNEXURE I

DETAILS OF SUSPENSE ACCOUNT

	<u>DT</u> <u>R</u>		<u>CR</u> <u>R</u>
NDM-claims outstanding	54 743	Vehicle registration fees	1 379 341
Recoverable expenditure:		Nkangala District Municipality: Grants	53 904
- Funeral costs	10 000	Municipal Infrastructure Grants (MIG)	5 187 598
- DWAF: Section 78 Assessment	1 448	Payments in advance for private jobs	326 878
- DPLG: Development costs	327 071	MSP grant (Municipal Support Grant)	139 548
- DBSA: Financial support Typhoid	100 000	NDM Retention money	3 881
- DPLG Bulk Water provision	2 914 691	Financial Management Grant (NT)	425 418
- DPLG Delpark X. 2 & 9	518 411	Medical contribution	18 413
Damage refuse truck - Discipline hearing	35 084	Drought Relief Grant	5 187
Provision VAT	650 793	MSIG (Municipal Systems Improvement Grant)	816 801
Caluma projects: Legal fees	103 282	Selling of dustbins	1 500
RD Cheques to be recovered (Lisence)	130 005	Provincial Grant: Pipe line	7 421
		Unallocated receivings	1 785 039
		Provincial Grant: Electrification schools	476 000
	4 845 528		10 626 929